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Attorneys for Receiver, R. Wayne Klein

UNITED STATES DISTRICT COURT
DISTRICT OF IDAHO

| | | |
|-----------------------------------|---|-------------------------------|
| SECURITIES AND EXCHANGE |) | Case No.: CV 09-075-E-EJL |
| COMMISSION, |) | |
| |) | |
| Plaintiff, |) | |
| |) | |
| and |) | Case No.: CV 09-076-E-EJL |
| |) | |
| COMMODITY FUTURES TRADING |) | |
| COMMISSION, |) | |
| |) | |
| Plaintiff, |) | The Honorable Edward J. Lodge |
| |) | |
| vs. |) | |
| |) | |
| DAREN L. PALMER and TRIGON GROUP, |) | NOTICE OF SETTLEMENT |
| INC., a Nevada Corporation, |) | |
| |) | |
| Defendants. |) | |
| |) | |

R. Wayne Klein, the duly appointed Receiver (“Receiver”) for Trigon Group, Inc.
 (“Trigon”) and the assets of Daren L. Palmer (“Palmer”), hereby provides notice of his intent to
 finalize a settlement agreement pursuant to the terms described below.

SETTLEMENT

Brad and Gloria Beauchamp The Beauchamps are former in-laws of Palmer. The Receiver's investigation found \$1.3 million paid to Brad Beauchamp in connection with construction of a home near Coeur d'Alene and another \$25,000.00 paid to the Beauchamps as a gift from Palmer. The Receiver filed suit against the Beauchamps on February 17, 2010 seeking a return of \$1,325,000.00 they received from Trigon. The Beauchamps provided information demonstrating that the \$1.3 million was actually spent on construction. The Beauchamps acknowledged receiving the \$25,000.00 gift but asserted a financial inability to repay that amount to the Receiver.

On May 24, 2012, the Receiver entered into a settlement agreement with the Beauchamps. The Beauchamps provided documentation demonstrating their negative net worth and the losses incurred in their real estate business. Under the agreement, the Beauchamps have agreed to borrow funds from relatives and pay \$3,000.00 to the Receiver in full settlement of the Receiver's claim. In return, the Receiver will dismiss the lawsuit against them.

REVIEW BY SEC AND CFTC

The Receiver has given notice to the Securities and Exchange Commission and the Commodity Futures Trading Commission of this planned settlement and requested their comments. The SEC and CFTC have both informed the Receiver that they have no objections to this settlement.

PROCEDURE FOR ADDRESSING ANY OBJECTIONS TO THE SETTLEMENT OR THE PROPERTY TRANACTIONS

Objections, if any, to the settlement must be in writing and filed with this Court within ten (10) days of the date of the filing of this Notice of Settlement. If no objection has been filed

within ten (10) days, unless the Court orders otherwise, the Receiver will deem the settlement approved and move forward to implement its terms. In the event that an objection is filed, the Receiver will have the right to: (1) notify in writing the objecting person, the settling party, and the Court that the Receiver believes that the objection lacks merit and seek the approval of the Court notwithstanding such objection, or (2) notify in writing the objecting person, the settling parties, and the Court that the Receiver believes that the objection is valid, whereupon the affected settlement agreement will be deemed to be terminated.


CONCLUSION

The Receiver believes the this settlement will provide benefits to the Receivership by bringing cash into the Receivership Estate and avoiding any further costs of litigation against these parties.

DATED this 29th day of May, 2012.

HAWLEY TROXELL ENNIS & HAWLEY LLP

By



John F. Kurtz, Jr., Attorneys for the
Receiver, R. Wayne Klein

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 29th day of May, 2012, I electronically filed the foregoing NOTICE OF SETTLEMENT with the Clerk of the Court using the CM/ECF system which sent a Notice of Electronic Filing to the following persons:

Karen L. Martinez
Thomas M. Melton
Tanya Beard
Securities and Exchange Commission
15 West South Temple, Suite 1800
Salt Lake City, UT 84101
martinezk@sec.gov
himesm@sec.gov

*Counsel for Plaintiff Securities and Exchange
Commission*

Alison B. Wilson
John W. Dunfee
Division of Enforcement
Commodity Futures Trading Commission
1155 21st Street, N.W.
Washington, D.C. 20581
jdunfee@cftc.gov
awilson@cftc.gov

*Counsel for Plaintiff Commodity Futures
Trading Commission*

AND, I HEREBY CERTIFY that I have served the foregoing document to the following non-CM/ECF Registered Participants (list names and addresses):

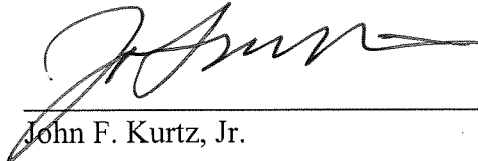
Daren L. Palmer
Inmate #13952-023
Federal Prison Camp
PO Box 1000
Duluth, MN 55814
Defendant

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ E-mail
☐ Telecopy

Alan Conilogue
Deputy Attorney General
State of Idaho
PO Box 83720
Boise, ID 83720-0031

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ E-mail
☐ Telecopy

Local Counsel for Plaintiffs



John F. Kurtz, Jr.